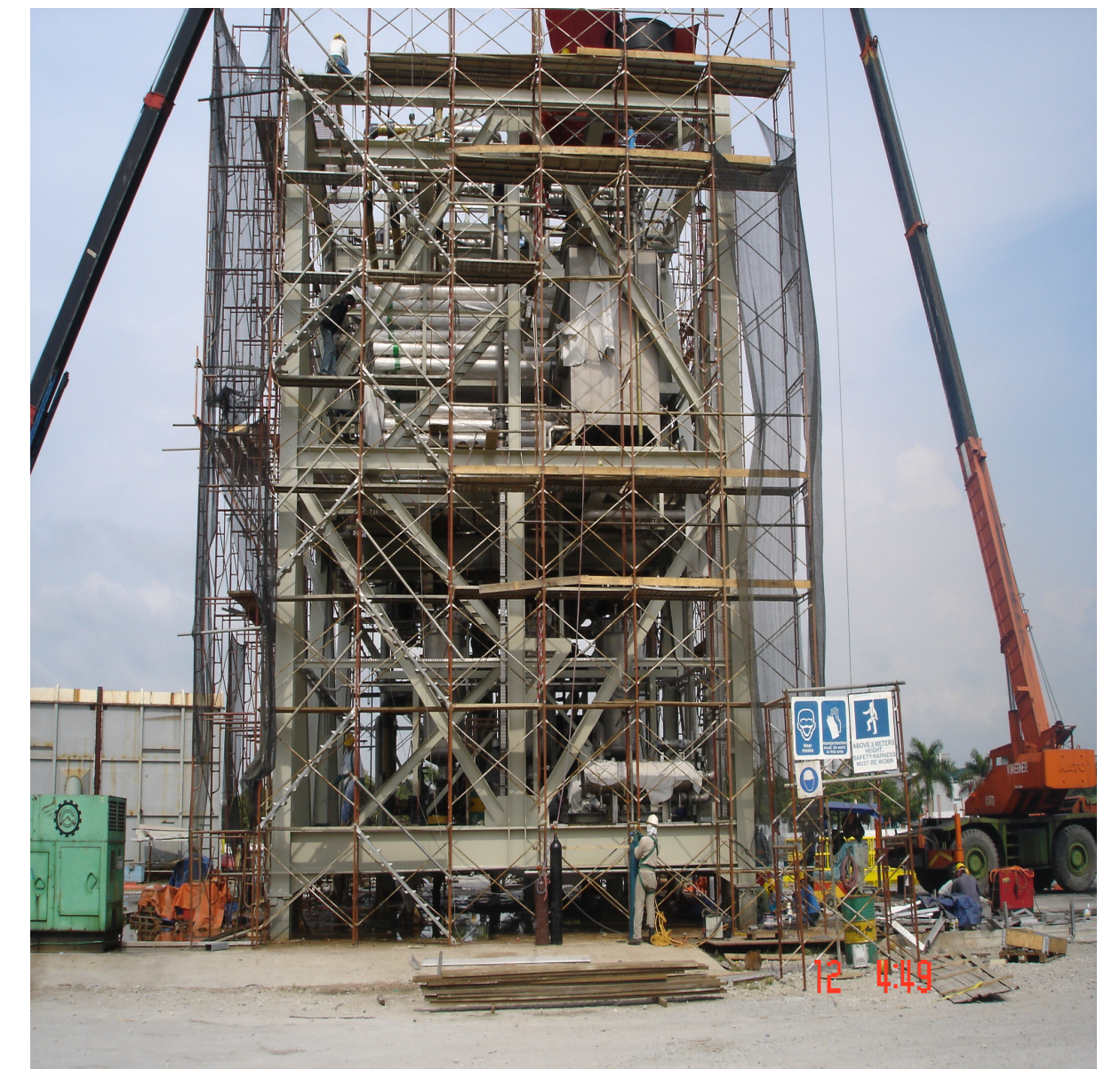


5 TIPS TO GET PROJECT PROCUREMENT LOGISTICS RIGHT

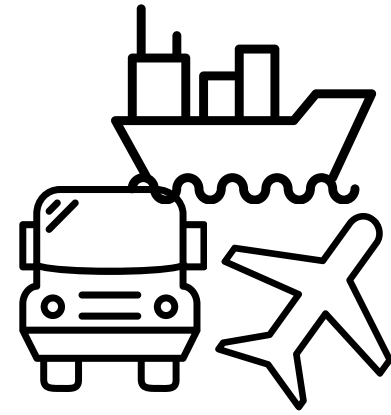
by Lars Greiner
Logistics Expert & Shipping Specialist

This presentation shows you, as an EPC company, need to focus on these 5 important do's when looking at procurement for a project.

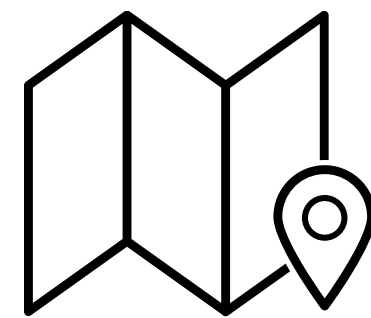


LOGISTICS SMEs

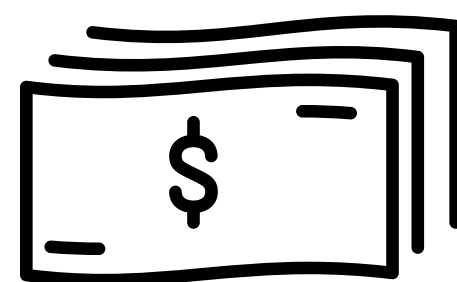
You should work with a logistics expert to establish what is needed and feasible and develop an overall plan – you'll save a lot of time and money this way.



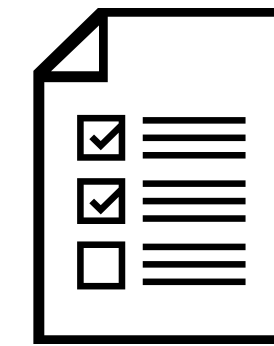
Types of Logistics
Required



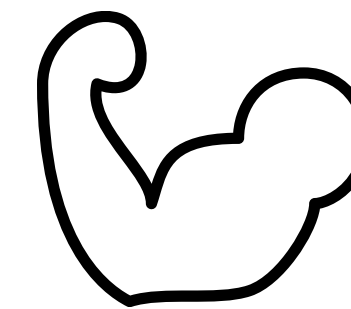
Parameters &
Modes



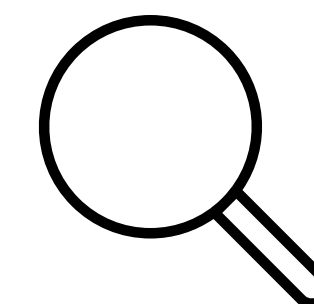
Estimated Cost



Specific Needs



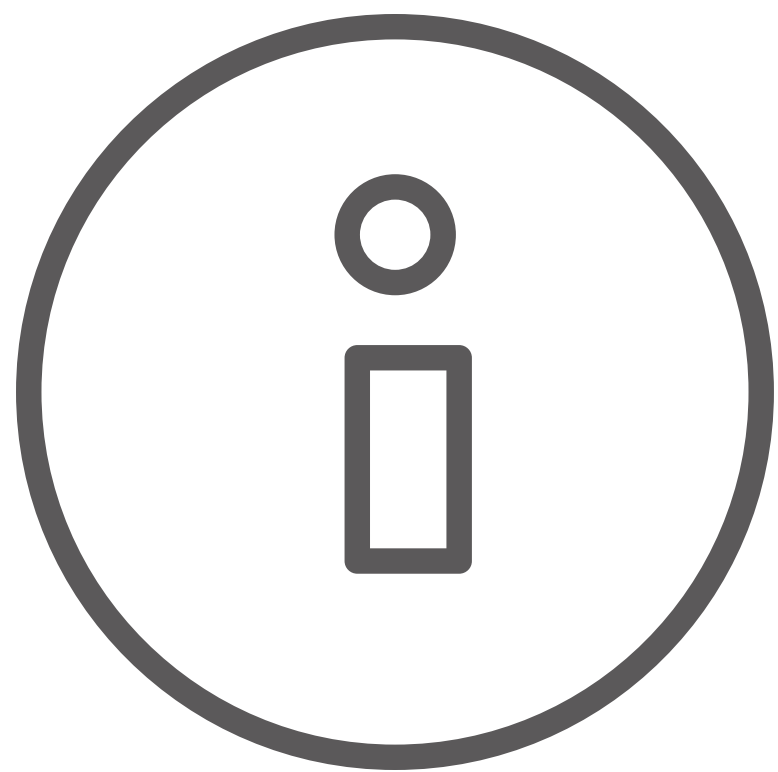
Strengths &
Weakness of
Service Providers



Feasibility Analysis

PROCUREMENT CONTRACT

Remember to include all your logistics needs when drawing up your procurement contract.



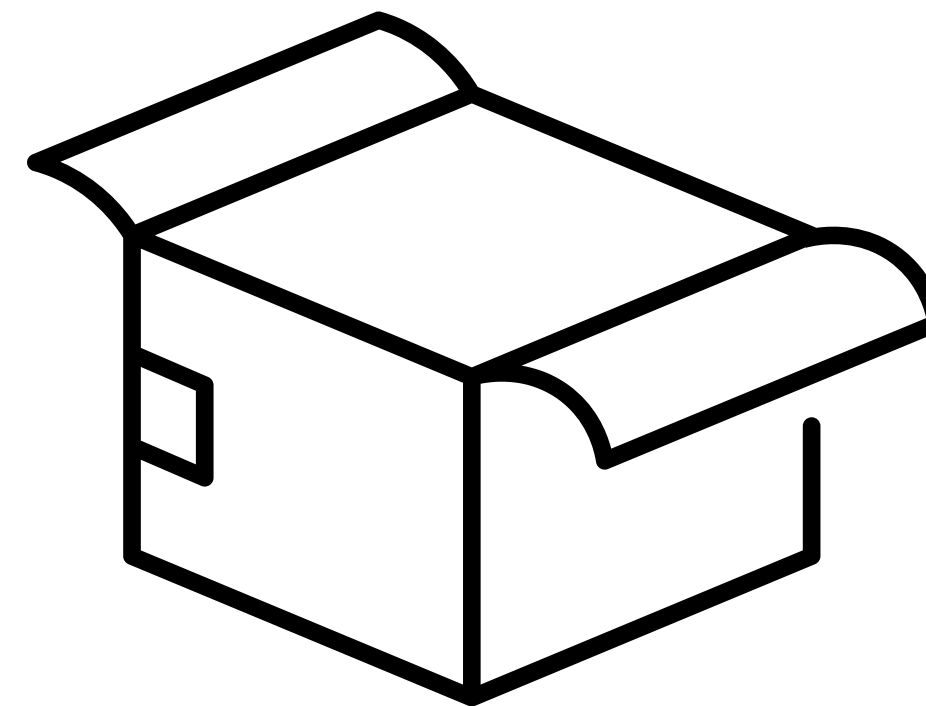
DEFINE & EXPLAIN YOUR INCOTERMS

Make sure you're using the most up-to-date version; the 2020 revisions are currently being negotiated.



ENSURE COMPREHENSIVE INCOTERMS

Define where at the place as well as who is responsible for the lift, e.g. 'DAP inside on-site warehouse on truck'. This detail is vital.



SPECIFY PACKING REQUIREMENTS

Not only for general 'export packing' but also for any specific needs. Get all this agreed with your supplier upfront.



SET CLEAR DEADLINES & PENALTIES

Make sure there is a clear RACI matrix in place, so every suppliers knows who is responsible for what and when.



LOGISTICS & CONTAINER STRATEGY

- Determine maximum transportable weights & dimensions
- Define your materials handling and container strategy
- Know your potential hidden costs



SERVICE PROVIDERS DUE DILIGENCE

- References from similar projects
- Equipment details
- CVs for all staffs in charge
- Contact details of the operations liaison

Negotiate your terms and conditions with ALL



Negotiate your T&Cs and other payment terms, as well as those of the shipping and forwarding companies. Don't be fooled by the 'standard' label – not only are all terms and conditions negotiable, but they are also generally quite biased. Challenge them.